

Bill No. 133 of 2011

THE PREVENTION OF MONEY-LAUNDERING
(AMENDMENT) BILL, 2011

A

BILL

further to amend the Prevention of Money-laundering Act, 2002.

BE it enacted by Parliament in the Sixty-second Year of the Republic of India as follows:—

1. (1) This Act may be called the Prevention of Money-laundering (Amendment) Act, 2011.

Short title
and
commence-
ment.

5 (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

15 of 2003.

2. In section 2 of the Prevention of Money-Laundering Act, 2002 (hereinafter referred to as the principal Act), in sub-section (1),—

Amendment
of section 2.

(i) after clause (f), the following clause shall be inserted, namely:—

10 ‘(fa) “beneficial owner” means an individual who ultimately owns or controls a client of a reporting entity or the person on whose behalf a transaction is being conducted and includes a person who exercises ultimate effective control over a juridical person;’;

(ii) after clause (h), the following clause shall be inserted, namely:—

15 ‘(ha) “client” means a person who is engaged in a financial transaction or activity with a reporting entity and includes a person on whose behalf the person who engaged in the transaction or activity, is acting;’;

(iii) after clause (i), the following clauses shall be inserted, namely:—

‘(ia) “corresponding law” means any law of any foreign country corresponding to any of the provisions of this Act or dealing with offences in that country corresponding to any of the scheduled offences;

(ib) “dealer” has the same meaning as assigned to it in clause (b) of section 2 of the Central Sales Tax Act, 1956;’; 5
74 of 1956.

(iv) clause (ja) shall be omitted;

(v) for clause (l), the following clause shall be substituted, namely:—

‘(l) “financial institution” means a financial institution as defined in clause (c) of section 45-I of the Reserve Bank of India Act, 1934 and includes a chit fund company, a housing finance institution, an authorised person, a payment system operator, a non-banking financial company and the Department of Posts in the Government of India;’; 10 2 of 1934.

(vi) for clause (n), the following clause shall be substituted, namely:—

‘(n) “intermediary” means,— 15

(i) a stock-broker, sub-broker, share transfer agent, banker to an issue, trustee to a trust deed, registrar to an issue, merchant banker, underwriter, portfolio manager, investment adviser or any other intermediary associated with securities market and registered under section 12 of the Securities and Exchange Board of India Act, 1992; or 20 15 of 1992.

(ii) an association recognised or registered under the Forward Contracts (Regulation) Act, 1952 or any member of such association; or 74 of 1952.

(iii) intermediary registered by the Pension Fund Regulatory and Development Authority; or

(iv) a recognised stock exchange referred to in clause (f) of section 2 of the Securities Contracts (Regulation) Act, 1956;’; 25
42 of 1956.

(vii) in clause (q), the words “and includes a person carrying on designated business or profession” shall be omitted;

(viii) in clause (ra), in sub-clause (i), for the word “remits”, the words “transfers in any manner” shall be substituted; 30

(ix) after clause (s), the following clauses shall be inserted, namely:—

‘(sa) “person carrying on designated business or profession” means,—

(i) a person carrying on activities for playing games of chance for cash or kind, and includes such activities associated with casino;

(ii) a Registrar or Sub-Registrar appointed under section 6 of the Registration Act, 1908, as may be notified by the Central Government; 35
16 of 1908.

(iii) real estate agent, as may be notified by the Central Government;

(iv) dealer in precious metals, precious stones and other high value goods, as may be notified by the Central Government;

(v) person engaged in safekeeping and administration of cash and liquid securities on behalf of other persons, as may be notified by the Central Government; or 40

(vi) person carrying on such other activities as the Central Government may, by notification, so designate, from time to time;

(*sb*) “precious metal” means gold, silver, platinum, palladium or rhodium or such other metal as may be notified by the Central Government;

(*sc*) “precious stone” means diamond, emerald, ruby, sapphire or any such other stone as may be notified by the Central Government;’;

5 (*x*) after clause (*v*), the following shall be inserted, namely:—

‘*Explanation*.—For the removal of doubts, it is hereby clarified that the term “property” includes property of any kind used in the commission of an offence under this Act or any of the scheduled offences;

32 of 1994. 10 (*va*) “real estate agent” means a real estate agent as defined in clause (88) of section 65 of the Finance Act, 1994;’;

(*xi*) after clause (*w*), the following clause shall be inserted, namely:—

‘(*wa*) “reporting entity” means a banking company, financial institution, intermediary or a person carrying on a designated business or profession;’.

15 **3.** In section 3 of the principal Act, for the words “proceeds of crime and projecting”, the words “proceeds of crime including its concealment, possession, acquisition or use and projecting or claiming” shall be substituted. Amendment of section 3.

4. In section 4 of the principal Act, the words “which may extend to five lakh rupees” shall be omitted. Amendment of section 4.

20 **5.** In section 5 of the principal Act, for sub-section (*I*), the following sub-section shall be substituted, namely:— Amendment of section 5.

“(I) Where the Director or any other officer not below the rank of Deputy Director authorised by the Director for the purposes of this section, has reason to believe (the reason for such belief to be recorded in writing), on the basis of material in his possession, that—

25 (*a*) any person is in possession of any proceeds of crime;

(*b*) such proceeds of crime are likely to be concealed, transferred or dealt with in any manner which may result in frustrating any proceedings relating to confiscation of such proceeds of crime under this Chapter,

30 he may, by order in writing, provisionally attach such property for a period not exceeding one hundred and eighty days from the date of the order, in such manner as may be prescribed:

2 of 1974. 35 Provided that no such order of attachment shall be made unless, in relation to the scheduled offence, a report has been forwarded to a Magistrate under section 173 of the Code of Criminal Procedure, 1973, or a complaint has been filed by a person authorised to investigate the offence mentioned in that Schedule, before a Magistrate or court for taking cognizance of the scheduled offence, as the case may be, or a similar report or complaint has been made or filed under the corresponding law of any other country:

40 Provided further that, notwithstanding anything contained in clause (*b*), any property of any person may be attached under this section if the Director or any other officer not below the rank of Deputy Director authorised by him for the purposes of this section has reason to believe (the reasons for such belief to be recorded in writing), on the basis of material in his possession, that if such property involved in money-laundering is not attached immediately under this Chapter, the non-attachment of the property is likely to frustrate any proceeding under this Act.”.

45 **6.** In section 8 of the principal Act,— Amendment of section 8.

(*i*) in sub-section (*I*), after the words and figure “section 5, or, seized”, the words “or frozen” shall be inserted;

(ii) in sub-section (3),—

(a) in the opening portion, for the words “record seized under section 17 or section 18 and record a finding to that effect, such attachment or retention of the seized property”, the words “record seized or frozen under section 17 or section 18 and record a finding to that effect, whereupon such attachment or retention or freezing of the seized or frozen property” shall be substituted; 5

(b) in clause (a), for the words “scheduled offence before a court; and”, the words “offence under this Act before a court or under the corresponding law of any other country, before the competent court of criminal jurisdiction outside India, as the case may be; and” shall be substituted; 10

(c) for clause (b), the following clause shall be substituted, namely:—

“(b) becomes final after an order of confiscation is passed under sub-section (5) or sub-section (7) of section 8 or section 58B or sub-section (2A) of section 60 by the Adjudicating Authority”;

(iii) in sub-section (4), for the words “possession of the attached property”, the following shall be substituted, namely:— 15

“possession of the property attached under section 5 or frozen under sub-section (1A) of section 17, in such manner as may be prescribed:

Provided that if it is not practicable to take possession of a property frozen under sub-section (1A) of section 17, the order of confiscation shall have the same effect as if the property had been taken possession of.”; 20

(iv) for sub-sections (5) and (6), the following sub-sections shall be substituted, namely:—

“(5) Where on conclusion of a trial of an offence under this Act, the Special Court finds that the offence of money-laundering has been committed, it shall order that such property involved in the money-laundering or which has been used for commission of the offence of money-laundering shall stand confiscated to the Central Government. 25

(6) Where on conclusion of a trial under this Act, the Special Court finds that the offence of money-laundering has not taken place or the property is not involved in money-laundering, it shall order release of such property to the person entitled to receive it. 30

(7) Where the trial under this Act cannot be conducted by reason of the death of the accused or the accused being declared a proclaimed offender or for any other reason or having commenced but could not be concluded, the Special Court shall, on an application moved by the Director or a person claiming to be entitled to possession of a property in respect of which an order has been passed under sub-section (3) of section 8, pass appropriate orders regarding confiscation or release of the property, as the case may be, involved in the offence of money-laundering after having regard to the material before it.”. 35 40

Amendment
of section 9.

7. In section 9 of the principal Act,—

(i) in the opening portion, for the words, brackets and figures “sub-section (6) of section 8”, the words, brackets and figures “sub-section (5) or sub-section (7) of section 8 or section 58B or sub-section (2A) of section 60” shall be substituted;

(ii) in the first proviso,— 45

(a) for the words “Adjudicating Authority”, the words “Special Court or the Adjudicating Authority, as the case may be,” shall be substituted;

(b) after the words “or seized”, the words “or frozen” shall be inserted.

8. In section 10 of the principal Act, in sub-section (2), for the words, brackets and figures “sub-section (6) of section 8”, the words, brackets and figures “sub-section (5) or sub-section (6) or sub-section (7) of section 8 or section 58B or sub-section (2A) of section 60” shall be substituted.

Amendment of section 10.

5 **9.** For section 12 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 12.

“12. (1) Every reporting entity shall—

Reporting entity to maintain records.

10 (a) maintain a record of all transactions, including information relating to transactions covered under clause (b), in such manner as to enable it to reconstruct individual transactions;

(b) furnish to the Director within such time as may be prescribed, information relating to such transactions, whether attempted or executed, the nature and value of which may be prescribed;

15 (c) verify the identity of its clients in such manner and subject to such conditions, as may be prescribed;

(d) identify the beneficial owner, if any, of such of its clients, as may be prescribed;

20 (e) maintain record of documents evidencing identity of its clients and beneficial owners as well as account files and business correspondence relating to its clients.

(2) Every information maintained, furnished or verified, save as otherwise provided under any law for the time being in force, shall be kept confidential.

25 (3) The records referred to in clause (a) of sub-section (1) shall be maintained for a period of ten years from the date of transaction between a client and the reporting entity.

(4) The records referred to in clause (e) of sub-section (1) shall be maintained for a period of ten years after the business relationship between a client and the reporting entity has ended or the account has been closed, whichever is later.

30 (5) The Central Government may, by notification, exempt any reporting entity or class of reporting entities from any obligation under this Chapter.”.

10. After section 12 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 12A.

35 “12A. (1) The Director may call for from any reporting entity any of the records referred to in sub-section (1) of section 12 and any additional information as he considers necessary for the purposes of this Act.

Access to information.

(2) Every reporting entity shall furnish to the Director such information as may be required by him under sub-section (1) within such time and in such manner as he may specify.

40 (3) Save as otherwise provided under any law for the time being in force, every information sought by the Director under sub-section (1), shall be kept confidential.”.

11. In section 13 of the principal Act,—

Amendment of section 13.

45 (i) in sub-section (1), for the words “call for records referred to in sub-section (1) of section 12 and may make such inquiry or cause such inquiry to be made, as he thinks fit”, the words “make such inquiry or cause such inquiry to be made, as he thinks fit to be necessary, with regard to the obligations of the reporting entity, under this Chapter”

shall be substituted;

(ii) after sub-section (1), the following sub-sections shall be inserted, namely:—

“(1A) If at any stage of inquiry or any other proceedings before him, the Director having regard to the nature and complexity of the case, is of the opinion that it is necessary to do so, he may direct the concerned reporting entity to get its records, as may be specified, audited by an accountant from amongst a panel of accountants, maintained by the Central Government for this purpose. 5

(1B) The expenses of, and incidental to, any audit under sub-section (1A) may be determined by the Director and shall be paid by the reporting entity and in default of such payment, shall be recoverable from such reporting entity in the manner provided in section 69.”; 10

(iii) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) If the Director, in the course of any inquiry, finds that a reporting entity or its designated director on the Board or any of its employees has failed to comply with the obligations under this Chapter, then, without prejudice to any other action that may be taken under any other provisions of this Act, he may— 15

(a) issue a warning in writing; or

(b) direct such reporting entity or its designated director on the Board or any of its employees, to comply with specific instructions; or

(c) direct such reporting entity or its designated director on the Board or any of its employees, to send reports at such interval as may be prescribed on the measures it is taking; or 20

(d) by an order, impose a monetary penalty on such reporting entity or its designated director on the Board or any of its employees, which shall not be less than ten thousand rupees but may extend to one lakh rupees for each failure.”; 25

(iv) after sub-section (3), the following *Explanation* shall be inserted, namely:—

“*Explanation.*— For the purpose of this section, “accountant” shall mean a chartered accountant within the meaning of the Chartered Accountants Act, 1949.”. 38 of 1949.

Substitution of new section for section 14.

12. For section 14 of the principal Act, the following section shall be substituted, namely:— 30

No civil or criminal proceedings against reporting entity, its directors and employees in certain cases.

“14. Save as otherwise provided in section 13, the reporting entity, its directors and employees shall not be liable to any civil or criminal proceedings against them for furnishing information under clause (b) of sub-section (1) of section 12.”.

Substitution of new section for section 15.

13. For section 15 of the principal Act, the following section shall be substituted, 35

Procedure and manner of furnishing information by reporting entities.

“15. The Central Government may, in consultation with the Reserve Bank of India, prescribe the procedure and the manner of maintaining and furnishing information by a reporting entity under sub-section (1) of section 12 for the purpose of implementing the provisions of this Act.”. 40

Amendment of section 17.

14. In section 17 of the principal Act,—

(i) in sub-section (1),—

(a) in clause (iii), after the word “money-laundering,”, the word “or” shall be inserted;

(b) after clause (iii), the following clause shall be inserted, namely:—

“(iv) is in possession of any property related to crime.”;

(c) in clause (d), after the words “such record or”, the words “property, if required or” shall be inserted;

5 (d) for the proviso, the following proviso shall be substituted, namely:—

2 of 1974.

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“Provided that no search shall be conducted unless, in relation to the scheduled offence, a report has been forwarded to a Magistrate under section 157 of the Code of Criminal Procedure, 1973, or a complaint has been filed by a person, authorised to investigate the offence mentioned in the Schedule, before a Magistrate or court for taking cognizance of the scheduled offence, as the case may be, or in cases where such report is not required to be forwarded, a similar report of information received or otherwise has been submitted by an officer authorised to investigate a scheduled offence to an officer not below the rank of Additional Secretary to the Government of India or equivalent being head of the office or Ministry or Department or Unit, as the case may be, or any other officer who may be authorised by the Central Government, by notification, for this purpose.”;

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(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

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“(IA) Where it is not practicable to seize such record or property, the officer authorised under sub-section (1), may make an order to freeze such property whereupon the property shall not be transferred or otherwise dealt with, except with the prior permission of the officer making such order, and a copy of such order shall be served on the person concerned:

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Provided that if, at any time before its confiscation under sub-section (5) or (7) of section 8 or section 58B or sub-section (2A) of section 60, it becomes practical to seize a frozen property, the officer authorised under sub-section (1) may seize such property.”;

(iii) in sub-section (2), after the words, “immediately after search and seizure” the words “or upon issuance of a freezing order” shall be inserted;

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(iv) for sub-section (4), the following sub-section shall be substituted, namely:—

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“(4) The authority seizing any record or property under sub-section (1) or freezing any record or property under sub-section (IA) shall, within a period of thirty days from such seizure or freezing, as the case may be, file an application, requesting for retention of such record or property seized under sub-section (1) or for continuation of the order of freezing served under sub-section (IA), before the Adjudicating Authority.”.

15. In section 18 of the principal Act, in sub-section (1), for the proviso, the following proviso shall be substituted, namely:—

Amendment
of section 18.

2 of 1974.

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“Provided that no search of any person shall be made unless, in relation to the scheduled offence, a report has been forwarded to a Magistrate under section 157 of the Code of Criminal Procedure, 1973, or a complaint has been filed by a person, authorised to investigate the offence mentioned in the Schedule, before a Magistrate or court for taking cognizance of the scheduled offence, as the case may be, or in cases where such report is not required to be forwarded, a similar report of information received or otherwise has been submitted by an officer authorised to investigate a scheduled offence to an officer not below the rank of Additional Secretary to the Government of India or equivalent being head of the office or Ministry or Department or Unit, as the case may be, or any other officer who may be authorised by the Central Government, by notification, for this purpose.”;

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Substitution of
new sections
for section 20
and section 21.
Retention of
property.

16. For sections 20 and 21 of the principal Act, the following sections shall be substituted, namely:—

“20. (1) Where any property has been seized under section 17 or section 18 or frozen under sub-section (1A) of section 17 and the officer authorised by the Director in this behalf has, on the basis of material in his possession, reason to believe (the reason for such belief to be recorded by him in writing) that such property is required to be retained for the purposes of adjudication under section 8, such property may, if seized, be retained or if frozen, may continue to remain frozen, for a period not exceeding one hundred and eighty days from the day on which such property was seized or frozen, as the case may be.

(2) The officer authorised by the Director shall, immediately after he has passed an order for retention or continuation of freezing of the property for purposes of adjudication under section 8, forward a copy of the order along with the material in his possession, referred to in sub-section (1), to the Adjudicating Authority, in a sealed envelope, in the manner as may be prescribed and such Adjudicating Authority shall keep such order and material for such period as may be prescribed.

(3) On the expiry of the period specified in sub-section (1), the property shall be returned to the person from whom such property was seized or whose property was ordered to be frozen unless the Adjudicating Authority permits retention or continuation of freezing of such property beyond the said period.

(4) The Adjudicating Authority, before authorising the retention or continuation of freezing of such property beyond the period specified in sub-section (1), shall satisfy himself that the property is *prima facie* involved in money-laundering and the property is required for the purposes of adjudication under section 8.

(5) After passing the order of confiscation under sub-section (5) or sub-section (7) of section 8, the Court or the Adjudicating Authority, as the case may be, shall direct the release of all property other than the property involved in money-laundering to the person from whom such property was seized or the persons entitled to receive it.

(6) Where an order releasing the property has been made by the Court under sub-section (6) of section 8 or by the Adjudicating Authority under section 58B or sub-section (2A) of section 60, the Director or any officer authorised by him in this behalf may withhold the release of any such property for a period of ninety days from the date of such order, if he is of the opinion that such property is relevant for the appeal proceedings under this Act.

Retention of
records.

21. (1) Where any records have been seized, under section 17 or section 18 or frozen under sub-section (1A) of section 17 and the Investigating Officer or any other officer authorised by the Director in this behalf has reason to believe that any of such records are required to be retained for any inquiry under this Act, such records may if seized, be retained or if frozen, may continue to remain frozen, for a period not exceeding one hundred and eighty days from the day on which such records were seized or frozen, as the case may be.

(2) The person, from whom records seized or frozen, shall be entitled to obtain copies of records.

(3) On the expiry of the period specified under sub-section (1), the records shall be returned to the person from whom such records were seized or whose records were ordered to be frozen unless the Adjudicating Authority permits retention or continuation of freezing of such records beyond the said period.

(4) The Adjudicating Authority, before authorising the retention or continuation of freezing of such records beyond the period specified in sub-section (1), shall satisfy himself that the records are required for the purposes of adjudication under section 8.

(5) After passing of an order of confiscation under sub-section (5) or sub-section (7) of section 8, the Adjudicating Authority shall direct the release of the records to the person from whom such records were seized.

- (6) Where an order releasing the records has been made by the Court under sub-section (6) of section 8 or by the Adjudicating Authority under section 58B or sub-section (2A) of section 60, the Director or any officer authorised by him in this behalf may withhold the release of any such record for a period of ninety days from the date of such order, if he is of the opinion that such record is relevant for the appeal proceedings under this Act.”.
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- 17.** In section 22 of the principal Act, in sub-section (1), after the words “a survey or a search,”, the words “or where any record or property is produced by any person or has been resumed or seized from the custody or control of any person or has been frozen under this Act or under any other law for the time being in force,” shall be inserted. Amendment of section 22.
- 18.** In section 23 of the principal Act, for the words and figure “under section 8, it shall, unless otherwise proved to the satisfaction of the Adjudicating Authority”, the words “under section 8 or for the trial of the money-laundering offence, it shall unless otherwise proved to the satisfaction of the Adjudicating Authority or the Special Court” shall be substituted. Amendment of section 23.
- 19.** For section 24 of the principal Act, the following section shall be substituted, namely:— Amendment of section 24.
- “24. In any proceedings relating to proceeds of crime under this Act, unless the contrary is proved, it shall be presumed that such proceeds of crime is involved in money-laundering.”. Burden of Proof.
- 20.** In section 26 of the principal Act, in sub-section (2), for the words “banking company, financial institution or intermediary”, the words “reporting entity” shall be substituted. Amendment of section 26.
- 21.** In section 28 of the principal Act,— Amendment of section 28.
- (i) in sub-section (1), for the words “he is or has been a Judge of the Supreme Court or of a High Court or is qualified to be a Judge of the High Court”, the words “he is a sitting or retired Judge of the Supreme Court or a sitting or retired Chief Justice of a High Court” shall be substituted.
- (ii) for sub-section (2), the following sub-section shall be substituted, namely:—
- “(2) A person shall not be qualified for appointment as a Member of the Appellate Tribunal unless he is a person of ability, integrity and standing who has shown capacity in dealing with problems relating to handling of matters of proceeds of crime and has qualification and experience of finance, economics, taxation, accountancy, law or administration.”;
- (iii) in sub-section (3), for the words “of a High Court”, the words “Chief Justice of a High Court” shall be substituted.
- 22.** For section 42 of the principal Act, the following sections shall be substituted, namely:— Substitution of new sections for section 42.
- “42. Any person aggrieved by any decision or order of the Appellate Tribunal may file an appeal to the Supreme Court within sixty days from the date of communication of the decision or order of the Appellate Tribunal to him on any question of law arising out of such order: Appeal to Supreme Court.
- Provided that the Supreme Court may, if it is satisfied that the applicant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding sixty days.
- 42A. Every appeal filed before a High Court but pending before it immediately before the commencement of the Prevention of Money-laundering (Amendment) Act, Continuation of certain appeals before the High Court.
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2011 shall continue to be an appeal before the High Court and shall be dealt with by that High Court as if the Prevention of Money-laundering (Amendment) Act, 2011 had not been passed.”.

Amendment
of section 44.

23. In section 44 of the principal Act, in sub-section (1),—

(i) in clause (a), in the proviso, the word “or” occurring at the end shall be omitted; 5

(ii) in clause (b), for the words “cognizance of the offence for which the accused is committed to it for trial” the words “cognizance of offence under section 3, without the accused being committed to it for trial” shall be substituted;

(iii) after clause (b), the following clauses shall be inserted, namely:— 10

“(c) if the court which has taken cognizance of the scheduled offence is other than the Special Court which has taken cognizance of the complaint of the offence of money-laundering under sub-clause (b), it shall, on an application by the authority authorised to file a complaint under this Act, commit the case relating to the scheduled offence to the Special Court and the Special Court shall, on receipt of such case proceed to deal with it from the stage at which it is committed. 15

(d) a Special Court while trying the scheduled offence or the offence of money-laundering shall hold trial in accordance with the provisions of the Code of Criminal Procedure, 1973, as it applies to a trial before a Court of Session.”. 20 2 of 1974.

Amendment
of section 50.

24. In section 50 of the principal Act, in sub-section (1), in clause (b), for the words “banking company or a financial institution or a company,”, the words “reporting entity” shall be substituted.

Amendment
of section 54.

25. In section 54 of the principal Act,—

(i) in the opening portion, for the word “officers”, the words “officers and others” shall be substituted; 25

(ii) for clause (d), the following clause shall be substituted, namely:—

“(d) members of the recognised stock exchange referred to in clause (f) of section 2 and the officers of the stock exchanges recognised under section 4 of the Securities Contracts (Regulation) Act, 1956; 30 42 of 1956.

(iii) after clause (h), the following clauses shall be inserted, namely:—

“(ha) officers of the Insurance Regulatory and Development Authority established under section 3 of the Insurance Regulatory and Development Authority Act, 1999; 41 of 1999.

(hb) officers of the Forward Markets Commission established under section 3 of the Forward Contracts (Regulation) Act, 1952; 35 74 of 1952.

(hc) officers and members of the recognised association recognised under section 6 of the Forward Contracts (Regulation) Act, 1952; 74 of 1952.

(hd) officers of the Pension Fund Regulatory and Development Authority;

(he) officers of the Department of Posts in the Government of India; 40

(hf) Registrars or Sub-Registrars appointed by the State Governments under section 6 of the Registration Act, 1908; 16 of 1908.

(hg) registering authority empowered to register motor vehicles under Chapter IV of the Motor Vehicles Act, 1988; 59 of 1988.

38 of 1949. (hh) officers and members of the Institute of Chartered Accountants of India constituted under section 3 of the Chartered Accountants Act, 1949;

23 of 5
1959. (hi) officers and members of the Institute of Cost and Works Accountants of India constituted under section 3 of the Cost and Works Accountants Act, 1959;

56 of 1980. (hj) officers and members of the Institute of Company Secretaries of India constituted under section 3 of the Company Secretaries Act, 1980;”;

(iv) in clause (j) for the words “banking companies”, the words “reporting entities” shall be substituted.

10 **26.** After section 58, the following sections shall be inserted, namely:—

Insertion of new sections 58A and 58B.

15 “58A. Where on closure of the criminal case or conclusion of a trial in a criminal court outside India under the corresponding law of any other country, such court finds that the offence of money-laundering has not taken place or the property in India is not involved in money-laundering, the Special Court shall, on an application moved by the concerned person or the Director, after notice to the other party, order release of such property to the person entitled to receive it.

Special Court to release the property.

20 58B. Where the trial under the corresponding law of any other country cannot be conducted by reason of the death of the accused or the accused being declared a proclaimed offender or for any other reason or having commenced but could not be concluded, the Central Government shall, on receipt of a letter of request from a court or authority in a contracting State requesting for confiscation or release of property, as the case may be, forward the same to the Director to move an application before the Special Court and upon such application the Special Court shall pass appropriate orders regarding confiscation or release of such property involved in the offence of money-laundering.”.

Letter of request of a contracting State or authority for confiscation or release the property.

25 **27.** In section 60 of the principal Act,—

Amendment of section 60.

30 (i) in sub-section (1), for the words and figures “property under section 5 or where an Adjudicating Authority has made an order confirming such attachment or confiscation of any property under section 8”, the words, figures, brackets and letter “property under section 5 or for freezing under sub-section (1A) of section 17 or where an Adjudicating Authority has made an order relating to a property under section 8 or where a Special Court has made an order of confiscation relating to a property under sub-section (5) or sub section (6) of section 8” shall be substituted;

(ii) in sub-section (2),—

35 (a) for the words “attachment or confiscation”, the words “attachment, seizure, freezing or confiscation” shall be substituted;

(b) for the word and figure “section 3”, the words “a corresponding law” shall be substituted;

(iii) after sub-section (2), the following sub-section shall be inserted, namely:—

40 “(2A) Where on closure of the criminal case or conclusion of trial in a criminal court outside India under the corresponding law of any other country, such court finds that the offence of money-laundering under the corresponding law of that country has been committed, the Adjudicating Authority shall, on receipt of an application from the Director for execution of confiscation under sub-section (2), order, after giving notice to the affected persons, that such property involved in money-laundering or which has been used for commission of the offence of money-laundering stand confiscated to the Central Government.”.

45

Amendment
of section 63.

28. In section 63 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) Notwithstanding anything contained in clause (c) of sub-section (2), a person who intentionally disobeys any direction issued under section 50 shall also be liable to be proceeded against under section 174 of the Indian Penal Code.”. 5 45 of 1860.

Substitution
of new
section for
section 69.
Recovery of
fine or
penalty.

29. For section 69 of the principal Act, the following section shall be substituted, namely:—

“69. Where any fine or penalty imposed on any person under section 13 or section 63 is not paid within six months from the day of imposition of fine or penalty, the Director or any other officer authorised by him in this behalf may proceed to recover the amount from the said person in the same manner as prescribed in Schedule II of the Income-tax Act, 1961 for the recovery of arrears and he or any officer authorised by him in this behalf shall have all the powers of the Tax Recovery Officer mentioned in the said Schedule for the said purpose.”. 10 43 of 1961.

Amendment
of section 70.

30. In section 70 of the principal Act, the *Explanation* shall be numbered as *Explanation 1* thereof and after *Explanation 1* as so numbered, the following *Explanation* shall be inserted, namely:— 15

“*Explanation 2.*—For the removal of doubts, it is hereby clarified that a company may be prosecuted, notwithstanding whether the prosecution or conviction of any legal juridical person shall be contingent on the prosecution or conviction of any individual.”. 20

Amendment
of section 72.

31. In section 72 of the principal Act, in sub-section (2), for the words “High Court”, wherever they occur, the words “Supreme Court” shall be substituted.

Amendment
of section 73.

32. In section 73 of the principal Act, in sub-section (2),—

(i) after clause (a), the following clause shall be inserted, namely:— 25

“(aa) the manner of provisional attachment of property under sub-section (I) of section 5;”;

(ii) after clause (e), the following clause shall be inserted, namely:—

“(ee) the manner of seizing or taking possession of property attached under section 5 or frozen under sub-section (IA) of section 17 or under sub-section (4) of section 8;”;

(iii) clause (h) shall be omitted;

(iv) in clause (i), for the words “the time within which”, the words “the nature and value of transactions and the time within which” shall be substituted;

(v) for clause (j), the following clauses shall be substituted, namely:— 35

“(j) the manner and the conditions in which identity of clients shall be verified by the reporting entities under clause (c) of sub-section (I) of section 12;

(jj) the manner of identifying beneficial owner, if any, from the clients by the reporting entities under clause (d) of sub-section (I) of section 12; 40

(jjj) the period of interval in which the reports are sent by the reporting entities or any of its employees under clause (c) of sub-section (2) of section 13;”;

(vi) after clause (p), the following clause shall be inserted, namely:—

“(pp) the manner in which the forwarding of the order for retention or continuation of freezing of the property and the period of keeping such order and material under sub-section (2) of section 20;” 45

33. In the Schedule to the principal Act,—

(i) for Part A, the following Part shall be substituted, namely:—

“PART A

PARAGRAPH 1

5

OFFENCES UNDER THE INDIAN PENAL CODE

(45 OF 1860)

Amendment
of the
Schedule.

Section	Description of offence
120B	Criminal conspiracy.
10 121	Waging or attempting to wage war or abetting waging of war, against the Government of India.
121A	Conspiracy to commit offences punishable by section 121 against the State.
255	Counterfeiting Government stamp.
257	Making or selling instrument for counterfeiting Government stamp.
258	Sale of counterfeit Government stamp.
15 259	Having possession of counterfeit Government stamp.
260	Using as genuine a Government stamp known to be counterfeit.
302	Murder.
304	Punishment for culpable homicide not amounting to murder.
307	Attempt to murder.
20 308	Attempt to commit culpable homicide.
327	Voluntarily causing hurt to extort property, or to constrain to an illegal act.
329	Voluntarily causing grievous hurt to extort property, or to constrain to an illegal act.
364A	Kidnapping for ransom, etc.
25 384 to 389	Offences relating to extortion.
392 to 402	Offences relating to robbery and dacoity.
411	Dishonestly receiving stolen property.
412	Dishonestly receiving property stolen in the commission of a dacoity.
413	Habitually dealing in stolen property.
30 414	Assisting in concealment of stolen property.
417	Punishment for cheating.
418	Cheating with knowledge that wrongful loss may ensue to person whose interest offender is bound to protect.
419	Punishment for cheating by personation.
35 420	Cheating and dishonestly inducing delivery of property.
421	Dishonest or fraudulent removal or concealment of property to prevent distribution among creditors.

Section	Description of offence	
422	Dishonestly or fraudulently preventing debt being available for creditors.	
423	Dishonest or fraudulent execution of deed of transfer containing false statement of consideration.	
424	Dishonest or fraudulent removal or concealment of property.	5
467	Forgery of valuable security, will, etc.	
471	Using as genuine a forged document or electronic record.	
472 and 473	Making or possessing counterfeit seal, etc., with intent to commit forgery.	
475 and 476	Counterfeiting device or mark.	
481	Using a false property mark.	10
482	Punishment for using a false property mark.	
483	Counterfeiting a property mark used by another.	
484	Counterfeiting a mark used by a public servant.	
485	Making or possession of any instrument for counterfeiting a property mark.	
486	Selling goods marked with a counterfeit property mark.	15
487	Making a false mark upon any receptacle containing goods.	
488	Punishment for making use of any such false mark.	
489A	Counterfeiting currency notes or bank notes.	
489B	Using as genuine, forged or counterfeit currency notes or bank notes.	

PARAGRAPH 2

20

OFFENCES UNDER THE NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES
ACT, 1985

(61 OF 1985)

Section	Description of offence	
15	Contravention in relation to poppy straw.	25
16	Contravention in relation to coca plant and coca leaves.	
17	Contravention in relation to prepared opium.	
18	Contravention in relation to opium poppy and opium.	
19	Embezzlement of opium by cultivator.	
20	Contravention in relation to cannabis plant and cannabis.	30
21	Contravention in relation to manufactured drugs and preparations.	
22	Contravention in relation to psychotropic substances.	
23	Illegal import into India, export from India to transshipment of narcotic drugs and psychotropic substances.	
24	External dealings in narcotic drugs and psychotropic substances in contravention of section 12 of the Narcotics Drugs and Psychotropic Substances Act, 1985.	35

Section	Description of offence
25A	Contravention of orders made under section 9A of the Narcotic Drugs and Psychotropic Substances Act, 1985.
27A	Financing illicit traffic and harbouring offenders.
5 29	Abetment and criminal conspiracy.

PARAGRAPH 3

OFFENCES UNDER THE EXPLOSIVE SUBSTANCES ACT, 1908

(6 OF 1908)

Section	Description of offence
10 3	Causing explosion likely to endanger life or property.
4	Attempt to cause explosion, or for making or keeping explosives with intent to endanger life or property.
5	Making or possessing explosives under suspicious circumstances.

PARAGRAPH 4

15 OFFENCES UNDER THE UNLAWFUL ACTIVITIES (PREVENTION) ACT, 1967

(37 OF 1967)

Section	Description of offence
10 read with section 3	Penalty for being member of an unlawful association, etc.
20 11 read with section 3	Penalty for dealing with funds of an unlawful association.
13 read with section 3	Punishment for unlawful activities.
16 read with section 15	Punishment for terrorist act.
25 16A	Punishment for making demands of radioactive substances, nuclear devices, etc.
17	Punishment for raising fund for terrorist act.
18	Punishment for conspiracy, etc.
30 18A	Punishment for organising of terrorist camps.
18B	Punishment for recruiting of any person or persons for terrorist act.
19	Punishment for harbouring, etc.
20	Punishment for being member of terrorist gang or organisation.
21	Punishment for holding proceeds of terrorism.
35 38	Offence relating to membership of a terrorist organisation.
39	Offence relating to support given to a terrorist organisation.
40	Offence of raising fund for a terrorist organisation.

PARAGRAPH 5

OFFENCES UNDER THE ARMS ACT, 1959

(54 OF 1959)

Section	Description of offence	
25	To manufacture, sell, transfer, convert, repair or test or prove or expose or offer for sale or transfer or have in his possession for sale, transfer, conversion, repair, test or proof, any arms or ammunition to contravention of section 5 of the Arms Act, 1959.	5
	To acquire, have in possession or carry any prohibited arms or prohibited ammunition in contravention of section 7 of the Arms Act, 1959.	10
	Contravention of section 24A of the Arms Act, 1959 relating to prohibition as to possession of notified arms in disturbed areas, etc.	
	Contravention of section 24B of the Arms Act, 1959 relating to prohibition as to carrying of notified arms in or through public places in disturbed areas.	15
	Other offences specified in section 25.	
26	To do any act in contravention of any provisions of section 3, 4, 10 or section 12 of the Arms Act, 1959 in such manner as specified in sub-section (1) of section 26 of the said Act.	
	To do any act in contravention of any provisions of section 5, 6, 7 or section 11 of the Arms Act, 1959 in such manner as specified in sub-section (2) of section 26 of the said Act.	20
	Other offences specified in section 26.	
27	Use of arms or ammunitions in contravention of section 5 or use of any arms or ammunition in contravention of section 7 of the Arms Act, 1959.	25
28	Use and possession of fire arms or imitation fire arms in certain cases.	
29	Knowingly purchasing arms from unlicensed person or for delivering arms, etc., to person not entitled to possess the same.	
30	Contravention of any condition of a licence or any provisions of the Arms Act, 1959 or any rule made thereunder.	30

PARAGRAPH 6

OFFENCES UNDER THE WILD LIFE (PROTECTION) ACT, 1972

(53 OF 1972)

Section	Description of offence	
51 read with section 9	Hunting of wild animals.	35
51 read with section 17A	Contravention of provisions of section 17A relating to prohibition of picking, uprooting, etc., of specified plants.	

Section	Description of offence
51 read with section 39	Contravention of provisions of section 39 relating to wild animals, etc., to be Government property.
5 51 read with section 44	Contravention of provisions of section 44 relating to dealings in trophy and animal articles without licence prohibited.
51 read with section 48	Contravention of provisions of section 48 relating to purchase of animal, etc., by licensee.
51 read with section 49B	Contravention of provisions of section 49B relating to prohibition of dealings in trophies, animals articles, etc., derived from scheduled animals.
10	PARAGRAPH 7 OFFENCES UNDER THE IMMORAL TRAFFIC (PREVENTION) ACT, 1956 (104 OF 1956)
Section	Description of offence
5	Procuring, inducing or taking person for the sake of prostitution.
15 6	Detaining a person in premises where prostitution is carried on.
8	Seducing or soliciting for purpose of prostitution.
9	Seduction of a person in custody.
20	PARAGRAPH 8 OFFENCES UNDER THE PREVENTION OF CORRUPTION ACT, 1988 (49 OF 1988)
Section	Description of offence
7	Public servant taking gratification other than legal remuneration in respect of an official act.
25 8	Taking gratification in order, by corrupt or illegal means, to influence public servant.
9	Taking gratification for exercise of personal influence with public servant.
10	Abetment by public servant of offences defined in section 8 or section 9 of the Prevention of Corruption Act, 1988.
13	Criminal misconduct by a public servant.
30	PARAGRAPH 9 OFFENCES UNDER THE EXPLOSIVES ACT, 1884 (4 OF 1884)
Section	Description of offence
9B	Punishment for certain offences.
35 9C	Offences by companies.

PARAGRAPH 10

OFFENCES UNDER THE ANTIQUITIES AND ARTS TREASURES ACT, 1972

(52 OF 1972)

Section	Description of offence	
25 read with section 3	Contravention of export trade in antiquities and art treasures.	5
28	Offences by companies.	

PARAGRAPH 11

OFFENCES UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992

(15 OF 1992)

10

Section	Description of offence	
12A read with section 24	Prohibition of manipulative and deceptive devices, insider trading and substantial.	
24	Acquisition of securities or control.	

PARAGRAPH 12

15

OFFENCES UNDER THE CUSTOMS ACT, 1962

(52 OF 1962)

Section	Description of offence	
135	Evasion of duty or prohibitions.	

PARAGRAPH 13

20

OFFENCES UNDER THE BONDED LABOUR SYSTEM (ABOLITION) ACT, 1976

(19 OF 1976)

Section	Description of offence	
16	Punishment for enforcement of bonded labour.	
18	Punishment for extracting bonded labour under the bonded labour system.	25
20	Abetment to be an offence.	

PARAGRAPH 14

OFFENCES UNDER THE CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986

(61 OF 1986)

Section	Description of offence	
14	Punishment for employment of any child to work in contravention of the provisions of section 3.	30

PARAGRAPH 15

OFFENCES UNDER THE TRANSPLANTATION OF HUMAN ORGANS ACT, 1994

(42 OF 1994)

Section	Description of offence
5 18	Punishment for removal of human organ without authority.
19	Punishment for commercial dealings in human organs.
20	Punishment for contravention of any other provisions of this Act.

PARAGRAPH 16

OFFENCES UNDER THE JUVENILE JUSTICE (CARE AND PROTECTION OF CHILDREN) ACT, 2000

10

(56 OF 2000)

Section	Description of offence
23	Punishment for cruelty to juvenile or child.
24	Employment of juvenile or child for begging.
15 25	Penalty for giving intoxicating liquor or narcotic drug or psychotropic substance to juvenile or child.
26	Exploitation of juvenile or child employee.

PARAGRAPH 17

OFFENCES UNDER THE EMIGRATION ACT, 1983

(31 OF 1983)

20 Section	Description of offence
24	Offences and penalties.

PARAGRAPH 18

OFFENCES UNDER THE PASSPORTS ACT, 1967

(15 OF 1967)

25 Section	Description of offence
12	Offences and penalties.

PARAGRAPH 19

OFFENCES UNDER THE FOREIGNERS ACT, 1946

(31 OF 1946)

30 Section	Description of offence
14	Penalty for contravention of provisions of the Act, etc.
14B	Penalty for using forged passport.
14C	Penalty for abetment.

PARAGRAPH 20

OFFENCES UNDER THE COPYRIGHT ACT, 1957

(14 OF 1957)

Section	Description of offence	
63	Offence of infringement of copyright or other rights conferred by this Act.	5
63A	Enhanced penalty on second and subsequent convictions.	
63B	Knowing use of infringing copy of computer programme.	
68A	Penalty for contravention of section 52A.	

PARAGRAPH 21

OFFENCES UNDER THE TRADE MARKS ACT, 1999

(47 OF 1999)

10

Section	Description of offence	
103	Penalty for applying false trade marks, trade descriptions, etc.	
104	Penalty for selling goods or providing services to which false trade mark or false trade description is applied.	15
105	Enhanced penalty on second or subsequent conviction.	
107	Penalty for falsely representing a trade mark as registered.	
120	Punishment of abetment in India of acts done out of India.	

PARAGRAPH 22

OFFENCES UNDER THE INFORMATION TECHNOLOGY ACT, 2000

(21 OF 2000)

20

Section	Description of offence	
72	Penalty for breach of confidentiality and privacy.	
75	Act to apply for offence or contravention committed outside India.	

PARAGRAPH 23

OFFENCES UNDER THE BIOLOGICAL DIVERSITY ACT, 2002

(18 OF 2003)

25

Section	Description of offence	
55 read with section 6.	Penalties for contravention of section 6, etc.	30

PARAGRAPH 24

OFFENCES UNDER THE PROTECTION OF PLANT VARIETIES AND FARMERS' RIGHTS ACT, 2001

(53 OF 2001)

Section	Description of offence
5 70 read with section 68	Penalty for applying false denomination, etc.
71 read with section 68	Penalty for selling varieties to which false denomination is applied.
10 72 read with section 68	Penalty for falsely representing a variety as registered.
73 read with section 68	Penalty for subsequent offence.

PARAGRAPH 25

OFFENCES UNDER THE ENVIRONMENT PROTECTION ACT, 1986

(29 OF 1986)

Section	Description of offence
15 15 read with section 7	Penalty for discharging environmental pollutants, etc., in excess of prescribed standards.
20 15 read with section 8	Penalty for handling hazardous substances without complying with procedural safeguards.

PARAGRAPH 26

OFFENCES UNDER THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974

(6 OF 1974)

Section	Description of offence
25 41(2)	Penalty for pollution of stream or well.
43	Penalty for contravention of provisions of section 24.

PARAGRAPH 27

OFFENCES UNDER THE AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981

(14 OF 1981)

Section	Description of offence
30 37	Failure to comply with the provisions for operating industrial plant.

PARAGRAPH 28

OFFENCES UNDER THE SUPPRESSION OF UNLAWFUL ACTS AGAINST SAFETY OF MARITIME
NAVIGATION AND FIXED PLATFORMS ON CONTINENTAL SHELF
ACT, 2002

(69 OF 2002)

5

Section	Description of offence
3	Offences against ship, fixed platform, cargo of a ship, maritime navigational facilities, etc.”;

(ii) in Part B, paragraphs 1 to 25 shall be omitted;

(iii) in Part C, serial number (2) and the entries relating thereto shall be omitted.

10

STATEMENT OF OBJECTS AND REASONS

The Prevention of Money-laundering Act, 2002 was enacted to prevent money-laundering and to provide for confiscation of property derived from, or involved in, money-laundering and for matters connected therewith or incidental thereto. The aforesaid Act also addresses the international obligations under the Political Declaration and Global Programme of Action adopted by the General Assembly of the United Nations to prevent money-laundering. The Act was amended in the year 2005 and 2009 to remove the difficulties arisen in implementation of the Act.

2. The problem of money-laundering is no longer restricted to the geo political boundaries of any country. It is a global menace that cannot be contained by any nation alone. In view of this, India has become a member of the Financial Action Task Force and Asia Pacific Group on money-laundering, which are committed to the effective implementation and enforcement of internationally accepted standards against money-laundering and the financing of terrorism. Consequent to the submission of an action plan to the Financial Action Task Force to bring anti money-laundering legislation of India at par with the international standards and to obviate some of the deficiencies in the Act that have been experienced by the implementing agencies, the need to amend the Prevention of Money-Laundering Act, 2002 has become necessary.

3. The Prevention of Money-Laundering (Amendment) Bill, 2011, *inter alia*, seeks to—

(a) introduce the concept of ‘corresponding law’ to link the provisions of Indian law with the laws of foreign countries and provide for transfer of the proceeds of the foreign predicate offence in any manner in India;

(b) introduce the concept of ‘reporting entity’ to include therein a banking company, financial institution, intermediary or a person carrying on a designated business or profession;

(c) enlarge the definition of offence of money-laundering to include therein the activities like concealment, acquisition, possession and use of proceeds of crime as criminal activities and remove existing limit of five lakh rupees of fine under the Act;

(d) make provision for attachment and confiscation of the proceeds of crime even if there is no conviction so long as it is proved that offence of money-laundering has taken place and property in question is involved in money-laundering;

(e) confer power upon the Director to call for records of transactions or any additional information that may be required for the purposes of the Prevention of money-laundering and also to make inquiries for non-compliance of reporting obligations cast upon them;

(f) make the reporting entity, its designated directors on the Board and employees responsible for omissions or commissions in relation to the reporting obligations under Chapter IV of the Act;

(g) provide that in any proceedings relating to proceeds of crime under the aforesaid Act, unless the contrary is proved, it shall be presumed that such proceeds of crime is involved in money-laundering;

(h) provide for appeal against the orders of the Appellate Tribunal directly to the Supreme Court;

(i) provide for the process of transfer of the cases of Scheduled offence pending in a court which had taken cognizance of the offence to the Special Court for trial of offence of money-laundering and also provide that the Special Court shall, on receipt of such case proceed to deal with it from the stage at which it is committed.

(j) putting all the offences listed in Part A and Part B of the Schedule to the aforesaid Act into Part A of that Schedule instead of keeping them in two Parts so that the provision of monetary threshold does not apply to the offences.

4. The Bill seeks to achieve the above objects.

NEW DELHI;
The 16th December, 2011.

PRANAB MUKHERJEE.

Notes on Clauses

Clause 1.—This clause provides for the short title and commencement of the proposed legislation.

Clause 2.—This clause seeks to amend section 2 of the Prevention of Money-Laundering Act, 2002 relating to definitions. This clause, *inter alia*, seeks to modify, amend or substitute certain definitions and to insert certain other new definitions. Sub-clause (i) seeks to insert the definition of the expression “beneficial owner” to mean an individual who ultimately owns or controls a client of a reporting entity or the person on whose behalf a transaction is being conducted and includes a person who exercises ultimate effective control over a juridical person. Sub-clause (ii) seeks to define the term “client” to mean a person who is engaged in a financial transaction or activity with a reporting entity and includes a person on whose behalf the person who engaged in the transaction or activity, is acting. Sub-clause (iii) seeks to insert two new definitions relating to “corresponding law” to mean any law of any foreign country corresponding to any of the provisions of the Act or dealing with offences in that country corresponding to any of the scheduled offences and the definition of the term “dealer” to provide the same meaning as assigned to it in clause (b) of section 2 of the Central Sales Tax Act, 1956.

Sub-clause (v) seeks to substitute the existing definition of the expression “financial institution” to mean a financial institution as defined in clause (c) of section 45-I of the Reserve Bank of India Act, 1934 and includes a chit fund company, a housing finance institution, an authorised person, a payment system operator, a non-banking financial company and the Department of Posts in the Government of India. Sub-clause (vi) seeks to substitute clause (n) of section 2 so as to substitute the expression “intermediary” to mean a stock-broker, sub-broker, share transfer agent, banker to an issue, trustee to a trust deed, registrar to an issue, merchant banker, underwriter, portfolio manager, investment adviser or any other intermediary associated with securities market and registered under section 12 of the Securities and Exchange Board of India Act, 1992; or an association recognised or registered under the Forward Contracts (Regulation) Act, 1952 or any member of such association; or intermediary registered by the Pension Fund Regulatory and Development Authority; or a recognised stock exchange referred to in clause (f) of section 2 of the Securities Contracts (Regulation) Act, 1956. Sub-clause (vii) seeks to amend clause (q) to omit the words “and includes a person carrying on designated business or profession”.

Sub-clause (ix) seeks to insert certain new definitions such as,—(i) “person carrying on designated business or profession” to mean a person carrying on activities for playing games of chance for cash or kind, and includes such activities associated with casino; a Registrar or Sub-Registrar appointed under section 6 of the Registration Act, 1908; real estate agent; dealer in precious metals, precious stones and other high value goods, and any person engaged in safekeeping and administration of cash and liquid securities on behalf of other persons; or person carrying on such other activities as the Central Government may, by notification, so designate, from time to time; (ii) “precious metals” to mean gold, silver, platinum, palladium or rhodium or such other metal as may be notified by the Central Government; (iii) “precious stone” to mean diamond, emerald, ruby, sapphire or any such other stone as may be notified by the Central Government. Sub-clause (x) seeks to insert, for the removal of doubts, an *Explanation* after clause (v) of sub-section (1) of section 2, that the term “property” includes property of any kind used in the commission of an offence under this Act or any of the Scheduled offences. Sub-clause (xi) seeks to define the term “reporting entity” to mean a banking company, financial institution, intermediary or a person carrying on a designated business or profession.

Clause 3.—This clause seeks to amend section 3 of the Act relating to offence of money-laundering. This clause seeks to include acts of concealment, acquisition, possession and use of the proceeds of crime within the provision of offence of money-laundering.

Clause 4.—This clause seeks to amend section 4 of the Act relating to punishment for money-laundering to omit the fine of five lakh rupees, since the limit of fine on legal persons under Act being very small.

Clause 5.—This clause seeks to substitute sub-section (1) of section (5) of the principal Act relating to attachment of property involved in money-laundering to facilitate attachment of proceeds of crime in all cases, irrespective of in whose possession the property is, and also provides for attachment in cases where report has been filed under the corresponding law of any other country. Further this clause seeks to increase the period of provisional attachment from existing one hundred and fifty days to one hundred and eighty days.

Clause 6.—This clause seeks to amend section 8 of the Act relating to adjudication to delink the attachment of the property to the pendency of the proceedings relating to the Scheduled offence and links it to the money laundering offence. It further seeks to delink the attachment to conviction. It also seeks to broaden the scope of seizing by also enabling freezing of property and documents which cannot be seized. It also seeks to take away the powers of the adjudicating authority to release the attached properties, where the scheduled offence itself is found not to have been committed or the attached property is not involved in money-laundering and vest the same with the Special Court.

Clause 7.—This clause seeks to amend section 9 of the Act relating to vesting of property in Central Government by taking away the power to confiscate the attached property from the Adjudicating Authority and vesting it with the Special Court.

Clause 8.—This clause seeks to make the consequential changes in section 10 of the Act relating to management of properties confiscated under this Chapter as the provisions relating to confiscation has been provided under some of the sub-sections of section 8.

Clause 9.—This clause seeks to substitute section 12 and to introduce the expression “reporting entity” in the place of “banking company, financial institution or intermediary” in section 12 of the Act. It also widens the scope of maintenance of record that is prescribed for reporting. This clause also seeks to omit the words “series of transactions integrally connected” in section 12.

Clause 10.—This clause seeks to insert a new section 12A relating to access to information to empower the Director to call for records of transaction or any additional information that may be required and for the power to make enquires for non-compliance of reporting entities to the obligations imposed upon such reporting entities.

Clause 11.—This clause seeks to amend section 13 of the Act relating to powers of Director to impose fine by the Director on the designated Directors and the employees of the reporting entities. It further seeks to empower the director for appointment of a chartered accountant from amongst a panel of accountants, maintained by the Central Government. It also seeks to make the designated directors on the board of a company alongwith the employees responsible for omissions or commissions of any reporting entities in their failure and to impose monetary penalty on such reporting entity, or its designated director on the Board or any of its employees, which shall not be less than ten thousand rupees but may extend to one lakh rupees for each such failure.

Clause 12.—This clause seeks to substitute new section for section 14 not to make liable to any civil or criminal proceedings against the reporting entity, its directors and employees in certain cases for furnishing information under clause (b) of sub-section (1) of section 12.

Clause 13.—This clause seeks to substitute a new section for section 15 of the Act relating to procedure and manner of furnishing information by reporting entities. It provides that the Central Government may, in consultation with the Reserve Bank of India, prescribe the procedure and the manner of maintaining and furnishing information by a reporting entity under sub-section (1) of section 12 for the purpose of implementing the provisions of the Act.

Clause 14.—This clause seeks to amend section 17 of the Act relating to search and seizure and includes provision for freezing any property, so that it can be seized or attached and confiscated later. Sub-clause (ii) seeks to insert a new sub-section (1A) after sub-section (1)

to provide that no search shall be conducted unless, in relation to the scheduled offence, a report has been forwarded to a Magistrate under section 157 of the Code of Criminal Procedure, 1973, or a complaint has been filed by a person, authorised to investigate the offence mentioned in the Schedule, before a Magistrate or court for taking cognizance of the scheduled offence, as the case may be, or in cases where such report is not required to be forwarded, a similar report of information received or otherwise has been submitted by an officer authorised to investigate a scheduled offence to an officer not below the rank of Additional Secretary to the Government of India or equivalent being head of the office or Ministry or Department or Unit, as the case may be, or any other officer who may be authorised by the Central Government, by notification, for this purpose.

Sub-clause (iv) seeks to substitute sub-section (4) with new sub-section to provide that the authority seizing any record or property under sub-section (1) or freezing any record or property under sub-section (1A) shall, within a period of thirty days from such seizure or freezing, as the case may be, file an application, requesting for retention of such record or property seized under sub-section (1) or for continuation of the order of freezing served under sub-section (1A), before the Adjudicating Authority.

Clause 15.—This clause seeks to amend section 18 of the Act relating to search of persons. It seeks to substitute the existing proviso with a new proviso in sub-section (1) of section 18 so as to provide that, no search of any person shall be made unless, in relation to the scheduled offence, a report has been forwarded to a Magistrate under section 157 of the Code of Criminal Procedure, 1973, or a complaint has been filed by a person, authorised to investigate the offence mentioned in the Schedule, before a Magistrate or court for taking cognizance of the scheduled offence, as the case may be, or in cases where such report is not required to be forwarded, a similar report of information received or otherwise has been submitted by an officer authorised to investigate a scheduled offence to an officer not below the rank of Additional Secretary to the Government of India or equivalent being head of the office or Ministry or Department or Unit, as the case may be, or any other officer who may be authorised by the Central Government, by notification, for this purpose.

Clause 16.—This clause seeks to substitute new sections for section 20 and section 21 of the Act relating to retention of property and retention of records respectively. It proposes, *inter alia*, to increase the period of withholding of releasing of property or records, as the case may be, from the existing forty-five days to ninety days so as to allow sufficient time to the officers of Enforcement Directorate to file appeal and obtain a stay in the cases required.

Clause 17.—This clause seeks to amend section 22 of the Act relating to presumption as to records or property also to include cases such as where any record or property is produced by any person or it has been seized from the custody or control of any person or has been frozen under the Act or under any other law for the time being in force.

Clause 18.—This clause seeks to amend section 23 of the Act relating to presumption in inter-connected transactions to include the Special Court also alongwith the Adjudicating Authority for the purposes of adjudication or confiscation under section 8 or for trial of the money-laundering offence.

Clause 19.—This clause seeks to substitute section 24 of the principal Act relating to burden of proof. This clause proposes that in any proceedings relating to proceeds of crime under the proposed legislation, unless the contrary is proved, it shall be presumed that such proceeds of crime is involved in money-laundering so as to ensure the property related to the offence is not passed off to someone to avoid confiscation.

Clause 20.—This clause seeks to amend section 26 of the Act relating to Appeals to the Appellate Tribunal by replacing reference relating to “banking company, financial institution or intermediary” with the term “reporting entity”.

Clause 21.—This clause seeks to amend section 28 of the principal Act relating to qualifications for appointment of Chairperson and member of the Appellate Tribunal.

Sub-clause (i) seeks to amend the sub-section (1) of section 28 to substitute the words “he is a sitting or retired Judge of the Supreme Court or a sitting or retired Chief Justice of a High Court” for the words “he is or has been a Judge of the Supreme Court or of a High Court or is qualified to be a Judge of the High Court”. Sub-clause (ii) seeks to substitute sub-section (2) of the said section to provide for qualification of appointment as a Member of the Appellate Tribunal unless such person is of ability, integrity and standing who has shown capacity in dealing with problems relating to handling of matters of proceeds of crime and has qualification and experience of finance, economics, taxation, accountancy, law or administration.

Clause 22.—This clause seeks to substitute the existing section 42 of the Act relating to Appeals to High Court with a new section relating to Appeal to Supreme Court. This clause provides that any person aggrieved by any decision or order of the Appellate Tribunal may file an appeal to the Supreme Court within sixty days from the date of communication of the decision or order of the Appellate Tribunal to him on any question of law arising out of such order. However, the Supreme Court may, if it is satisfied that the applicant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding sixty days. This clause further provides for continuation of certain appeals filed before the High Court but pending before it immediately before the commencement of the proposed legislation to continue to be an appeal before the High Court and to be dealt with by that High Court as if the proposed legislation had not been passed.

Clause 23.—This clause seeks to amend sub-section (1) of section 44 of the Act relating to offences triable by Special Courts. Sub-clause (ii) provides that if the court which has taken cognizance of the scheduled offence is other than the Special Court which has taken cognizance of the complaint of the offence of money-laundering under sub-clause (b), it shall, on an application by the authority authorised to file a complaint under the proposed legislation, commit the case relating to the scheduled offence to the Special Court and the Special Court shall, on receipt of such case proceed to deal with it from the stage at which it is committed. Sub-clause (iii) seeks to insert a new clause (c) after clause (b) in the said section provides that a Special Court while trying the scheduled offence or the offence of money-laundering shall hold trial in accordance with the provisions of the Code of Criminal Procedure, 1973, as it applies to a trial before a Court of Session.

Clause 24.—This clause seeks to amend section 50 of the Act relating to powers of authorities regarding summons, production of documents and to give evidence. It seeks to make a consequential amendment to substitute the words “banking company or a financial institution or a company,” with the words “reporting entity”.

Clause 25.—This clause seeks to amend section 54 of the Act relating to certain officers to assist in inquiry, etc. It seeks to provide for enlarging the scope of section 54 so as to include new set of officials and persons who will be expected to assist the authorities in the enforcement of the Act by bring various departments, entities and members of organisations under the coverage of the Act, such as the Insurance Regulatory and Development Authority, the Department of Posts, the Forward Markets Commission, the Pension Fund Regulatory and Development Authority, the Registrar or Sub-Registrars appointed under the Registration Act, 1908, the registering Authority empowered to register motor vehicles under the Motor Vehicle Act, 1988, the recognised stock exchanges, the Institute of Chartered Accountants of India, the Institute of Cost and Works Accountants of India and the Institute of Company Secretaries of India.

Clause 26.—This clause seeks to insert new sections 58A and 58B. The proposed new section 58A relating to Special Court to release the property, This new clause provides that, if on closure of the criminal case or conclusion of a trial in a criminal court outside India under the corresponding law of any other country, such court finds that the offence of money-laundering has not taken place or the property in India is not involved in money-laundering, the Special Court shall, on an application moved by the concerned person or the Director, after notice to the other party, order release of such property to the person entitled

to receive it. The proposed new section 58B relating to letter of request of a contracting State or authority for confiscation or release the property provides that, if the trial under the corresponding law of any other country cannot be conducted by reason of the death of the accused or the accused being declared a proclaimed offender or for any other reason or having commenced but could not be concluded, the Central Government shall, on receipt of a letter of request from a court or authority in a contracting State requesting for confiscation or release of property, as the case may be, forward the same to the Director to move an application before the Special Court and upon such application the Special Court shall pass appropriate orders regarding confiscation or release of such property involved in the offence of money-laundering.

Clause 27. This clause seeks to amend section 60 of the Act relating to attachment, seizure and confiscation, etc., of property in a contracting State or India. Sub-clause (i) seeks to amend sub-section (1) of the said section to substitute for the words and figures “property under section 5 or where an Adjudicating Authority has made an order confirming such attachment or confiscation of any property under section 8”, with the words, figures, brackets and letter “property under section 5 or for freezing under sub-section (1A) of section 17 or where an Adjudicating Authority has made an order relating to a property under section 8 or where a Special Court has made an order of confiscation relating to a property under sub-section (5) or sub section (6) of section 8”. Sub-clause (ii) proposes to amend sub-section (2) of the said section so as to substitute the words “attachment or confiscation”, with the words “attachment, seizure, freezing or confiscation”. Sub-clause (iii) seeks to insert a new sub-section after sub-section (2) of the said Act which provides that, if on closure of the criminal case or conclusion of trial in a criminal court outside India under the corresponding law of any other country, such court finds that the offence of money-laundering under the corresponding law of that country has been committed, the Adjudicating Authority shall, on receipt of an application from the Director for execution of confiscation under sub-section (2), order, after giving notice to the affected persons, that such property involved in money-laundering or which has been used for commission of the offence of money-laundering stand confiscated to the Central Government.

Clause 28.—This clause seeks to amend section 63 of Act relating to punishment for false information or failure to give information. It seeks to insert a new sub-section after sub-section (3) which provides that notwithstanding anything contained in clause (c) of sub-section (2), a person who intentionally disobeys any direction issued under section 50 shall also be liable to be proceeded against under section 174 of the Indian Penal Code.

Clause 29.—This clause seeks to substitute section 69 relating to recovery of fine or penalty. It provides that, if any fine or penalty imposed on any person under section 13 or section 63 is not paid within six months from the day of imposition of fine or penalty, the Director or any other officer authorised by him in this behalf may proceed to recover the amount from the said person in the same manner as prescribed in Schedule II of the Income-tax Act, 1961 for the recovery of arrears and he or any officer authorised by him in this behalf shall have all the powers of the Tax Recovery Officer mentioned in the said Schedule for the said purpose.

Clause 30.—This clause seeks to amend section 70 of the Act relating to offences by companies. It seeks to insert a new *Explanation* after the existing *Explanation* to clarify that a company may be prosecuted, notwithstanding whether the prosecution or conviction of any legal juridical person shall be contingent on the prosecution or conviction of any individual.

Clause 31.—This clause seeks to amend section 72 of the Act relating to continuation of proceedings in the event of death or insolvency. It seeks to substitute the words “High Court”, wherever they occur, with the words “Supreme Court”. It is a consequential change in the said section.

Clause 32.—This clause seeks to amend section 73 of the Act relating to power to make rules. It proposes to insert clauses (aa), (ee) and clause (pp), to omit clause (h) and to substitute clause (j) with new clause (j), (jj) and (jjj) specifying the matters in respect of which rules may be made.

Clause 33.—This clause seeks to amend the Schedule to the Act. Sub-clause (i) seeks to substitute Part A, with new Part so as to include the existing paragraphs 1 to 25 of Part B in Part A. Sub-clause (ii) seeks to omit the paragraphs 1 to 25 and sub-clause (iii) proposes to amend Part C to omit the entries relating to serial number (2).

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (1) of clause 5 of the Bill empowers the Central Government to make rules for provisional attachment of property.

2. Clause 9 of the Bill empowers the Central Government to make rules to provide the period within which the reporting entity to furnish information to Director relating to transaction, the nature and value of such transaction; to verify the identity of its client and the identity of beneficial owner of such clients. This clause further empowers the Central Government to notify exempting any reporting entity or class of entities from the obligation.

3. Clause 11 of the Bill empowers the Central Government to make rules to provide the period of interval at which the reporting entity or its designated director on the Board or any of its employees to send reports on the measures taken by it.

4. Clause 13 of the Bill empowers the Central Government to make rules, in consultation with the Reserve Bank of India, to provide the procedure and the manner of maintaining and furnishing information by reporting entity for the purpose of implementing the provisions of the Act.

6. Clause 16 of the Bill empowers the Central Government to make rules to provide the manner in which the officer shall forward a copy of the order alongwith the materials in his possession to the Adjudicating Authority .

7. The rules as may be made by the Central Government are required to be laid before the Parliament. The matters in respect of which rules may be made by the Central Government in accordance with the provisions of the Act are matters of procedure and administrative details and it is not practical to provide for them in the Bill itself. The delegation of legislative power is, therefore, of a normal character.

ANNEXURE

EXTRACTS FROM THE PREVENTION OF MONEY-LAUNDERING ACT, 2002

(15 OF 2003)

*	*	*	*	*
Definitions.	2. (1) In this Act, unless the context otherwise requires,—			
*	*	*	*	*
	(l) "financial institution" means a financial institution as defined in clause (c) of section 45-I of the Reserve Bank of India Act, 1934 and includes a chit fund company, a co-operative bank, a housing finance institution and an authorised person, a payment system operator and a non-banking financial company;			
	2 of 1934.			
*	*	*	*	*
	(n) "intermediary" means a stock-broker, sub-broker, share transfer agent, banker to an issue, trustee to a trust deed, registrar to an issue, merchant banker, underwriter, portfolio manager, investment adviser and any other intermediary associated with securities market and registered under section 12 of the Securities and Exchange Board of India Act, 1992;			
	15 of 1992.			
*	*	*	*	*
	(q) "non-banking financial company" shall have the same meaning as assigned to it in clause (f) of section 45-I of the Reserve Bank of India Act, 1934 and includes a person carrying on designated business or profession.			
	2 of 1934.			
*	*	*	*	*
	(ra) "offence of cross border implications", means—			
	(i) any conduct by a person at a place outside India which constitutes an offence at that place and which would have constituted an offence specified in Part A, Part B or Part C of the Schedule, had it been committed in India and if such person remits the proceeds of such conduct or part thereof to India; or			
	(ii) any offence specified in Part A, Part B or Part C of the Schedule which has been committed in India and the proceeds of crime, or part thereof have been transferred to a place outside India or any attempt has been made to transfer the proceeds of crime, or part thereof from India to a place outside India.			
	<i>Explanation.</i> —Nothing contained in this clause shall adversely affect any investigation, enquiry, trial or proceeding before any authority in respect of the offences specified in Part A or Part B of the Schedule to the Act before the commencement of the Prevention of Money-laundering (Amendment) Act, 2009.			
*	*	*	*	*

CHAPTER II

OFFENCE OF MONEY-LAUNDERING

Offence of money-laundering.	3. Whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with the proceeds of crime and projecting it as untainted property shall be guilty of offence of money-laundering.
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4. Whoever commits the offence of money-laundering shall be punishable with rigorous imprisonment for a term which shall not be less than three years but which may extend to seven years and shall also be liable to fine which may extend to five lakh rupees:

Punishment for money-laundering.

Provided that where the proceeds of crime involved in money-laundering relates to any offence specified under paragraph 2 of Part A of the Schedule, the provisions of this section shall have effect as if for the words "which may extend to seven years", the words "which may extend to ten years" had been substituted.

CHAPTER III

ATTACHMENT, ADJUDICATION AND CONFISCATION

5 (1) Where the Director, or any other officer not below the rank of Deputy Director authorised by him for the purposes of this section, has reason to believe (the reason for such belief to be recorded in writing), on the basis of material in his possession, that—

Attachment of property involved in money-laundering.

(a) any person is in possession of any proceeds of crime;

(b) such person has been charged of having committed a scheduled offence; and

(c) such proceeds of crime are likely to be concealed, transferred or dealt with in any manner which may result in frustrating any proceedings relating to confiscation of such proceeds of crime under this chapter,

43 of 1961.

he may, by order in writing, provisionally attach such property for a period not exceeding one hundred and fifty days from the date of the order, in the manner provided in the Second Schedule to the Income-tax Act, 1961 and the Director or the other officer so authorised by him, as the case may, shall be deemed to be an officer under sub-rule (e) of rule 1 of that Schedule:

2 of 1974.

Provided that no such order of attachment shall be made unless, in relation to the scheduled offence, a report has been forwarded to a Magistrate under section 173 of the code of Criminal Procedure, 1973, or a complaint has been filed by a person, authorised to investigate the offence mentioned in the Schedule, before a Magistrate or court for taking cognizance of the scheduled offence, as the case may be:

Provided further that, notwithstanding anything contained in clause (b), any property of any person may be attached under this section if the Director or any other officer not below the rank of Deputy Director authorised by him for the purposes of this section has reason to believe (the reasons for such belief to be recorded in writing), on the basis of material in his possession, that if such property involved in money-laundering is not attached immediately under this Chapter, the non-attachment of the property is likely to frustrate any proceeding under this Act.

* * * * *

8. (1) On receipt of a complaint under sub-section (5) of section 5, or applications made under sub-section (4) of section 17 or under sub-section (10) of section 18, if the Adjudicating Authority has reason to believe that any person has committed an offence under section 3 or is in possession of proceeds of crime, it may serve a notice of not less than thirty days on such person calling upon him to indicate the sources of his income, earning or assets, out of which or by means of which he has acquired the property attached under sub-section (1) of section 5, or, seized under section 17 or section 18, the evidence on which he relies and other relevant information and particulars, and to show cause why all or any of such properties should not be declared to be the properties involved in money-laundering and confiscated by the Central Government:

Adjudication.

Provided that where a notice under this sub-section specifies any property as being held by a person on behalf of any other person, a copy of such notice shall also be served upon such other person:

Provided further that where such property is held jointly by more than one person, such notice shall be served to all persons holding such property.

* * * * *

(3) Where the Adjudicating Authority decides under sub-section (2) that any property is involved in money-laundering, he shall, by an order in writing, confirm the attachment of the property made under sub-section (1) of section 5 or retention of property or record seized under section 17 or section 18 and record a finding to that effect, such attachment or retention of the seized property or record shall—

(a) continue during the pendency of the proceedings relating to any scheduled offence before a court; and

* * * * *

(4) Where the provisional order of attachment made under sub-section (1) of section 5 has been confirmed under sub-section (3), the Director or any other officer authorised by him in this behalf shall forthwith take the possession of the attached property.

(5) Where on conclusion of a trial for any scheduled offence, the person concerned is acquitted, the attachment of the property or retention of the seized property or record under sub-section (3) and net income, if any, shall cease to have effect.

(6) Where the attachment of any property or retention of the seized property or record becomes final under clause (b) of sub-section (3), the Adjudicating Authority shall, after giving an opportunity of being heard to the person concerned, make an order confiscating such property.

Vesting of property in Central Government.

9. Where an order of confiscation has been made under sub-section (6) of section 8 in respect of any property of a person, all the rights and title in such property shall vest absolutely in the Central Government free from all encumbrances:

Provided that where the Adjudicating Authority, after giving an opportunity of being heard to any other person interested in the property attached under this Chapter, or seized under Chapter V, is of the opinion that any encumbrance on the property or lease-hold interest has been created with a view to defeat the provisions of this Chapter, it may, by order, declare such encumbrance or lease-hold interest to be void and thereupon the aforesaid property shall vest in the Central Government free from such encumbrances or lease-hold interest:

Provided further that nothing in this section shall operate to discharge any person from any liability in respect of such encumbrances which may be enforced against such person by a suit for damages.

Management of properties confiscated under this Chapter.

10. (1)*
 (2) The Administrator appointed under sub-section (1) shall receive and manage the property in relation to which an order has been made under sub-section (6) of section 8 in such manner and subject to such conditions as may be prescribed.

* * * * *

CHAPTER IV

OBLIGATIONS OF BANKING COMPANIES, FINANCIAL INSTITUTIONS AND INTERMEDIARIES

Banking companies, financial institutions and intermediaries to maintain records.

12. (1) Every banking company, financial institution and intermediary shall—

(a) maintain a record of all transactions, the nature and value of which may be prescribed, whether such transactions comprise of a single transaction or a series of transactions integrally connected to each other, and where such series of transactions take place within a month;

(b) furnish information of transactions referred to in clause (a) to the Director within such time as may be prescribed;

(c) verify and maintain the records of the identity of all its clients, in such manner as may be prescribed:

Provided that where the principal officer of a banking company or financial institution or intermediary, as the case may be, has reason to believe that a single transaction or series of transactions integrally connected to each other have been valued below the prescribed value so as to defeat the provisions of this section, such officer shall furnish information in respect of such transactions to the Director within the prescribed time.

(2)(a) The records referred to in clause (a) of sub-section (1) shall be maintained for a period of ten years from the date of transactions between the clients and the banking company or financial institution or intermediary, as the case may be.

(b) The records referred to in clause (c) of sub-section (1) shall be maintained for a period of ten years from the date of cessation of transactions between the clients and the banking company or financial institution or intermediary, as the case may be.

13. (1) The Director may, either of his own motion or on an application made by any authority, officer or person, call for records referred to in sub-section (1) of section 12 and may make such inquiry or cause such inquiry to be made, as he thinks fit.

Powers of Director to impose fine.

(2) If the Director, in the course of any inquiry, finds that a banking company, financial institutions or an intermediary or any of its officers has failed to comply with the provisions contained in section 12, then, without prejudice to any other action that may be taken under any other provisions of this Act, he may, by an order, levy a fine on such banking company or financial institution or intermediary which shall not be less than ten thousand rupees but may extend to one lakh rupees for each failure.

* * * * *

14. Save as otherwise provided in section 13, the banking companies, financial institutions, intermediaries and their officers shall not be liable to any civil proceedings against them for furnishing information under clause (b) of sub-section (1) of section 12.

No civil proceedings against banking companies, financial institutions, etc., in certain cases.

* * * * *

17. (1) Where the Director or any other officer not below the rank of Deputy Director authorised by him for the purposes of this section, on the basis of information in his possession, has reason to believe (the reason for such belief to be recorded in writing) that any person—

Search and seizure.

* * * * *

(iii) is in possession of any records relating to money-laundering,

then, subject to the rules made in this behalf, he may authorise any officer subordinate to him to—

* * * * *

(d) place marks of identification on such record or make or cause to be made extracts or copies therefrom;

(e) make a note or an inventory of such record or property;

(f) examine on oath any person, who is found to be in possession or control of any record or property, in respect of all matters relevant for the purposes of any investigation under this Act:

Provided that no search shall be conducted unless, in relation to the scheduled offence, a report has been forwarded to a Magistrate under section 157 of the Code of Criminal Procedure, 1973, or a complaint has been filed by a person, authorised to investigate the offence mentioned in the Schedule, before a Magistrate or court for taking cognizance of the scheduled offence, as the case may be. 2 of 1974.

(2) The authority, who has been authorised under sub-section (1) shall, immediately after search and seizure, forward a copy of the reasons so recorded along with material in his possession, referred to in that sub-section, to the Adjudicating Authority in a sealed envelope, in the manner, as may be prescribed and such Adjudicating Authority shall keep such reasons and material for such period, as may be prescribed.

* * * * *

(4) The authority, seizing any record or property under this section, shall, within a period of thirty days from such seizure, file an application, requesting for retention of such record or property, before the Adjudicating Authority.

Search of persons.

18. (1) If an authority, authorised in this behalf by the Central Government by general or special order, has reason to believe (the reason for such belief to be recorded in writing) that any person has secreted about his person or in anything under his possession, ownership or control, any record or proceeds of crime which may be useful for or relevant to any proceedings under this Act, he may search that person and seize such record or property which may be useful for or relevant to any proceedings under this Act:

Provided that no search shall be made unless, in relation to the scheduled offence, a report has been forwarded to a Magistrate under section 173 of the Code of Criminal Procedure, 1973, or a complaint has been filed by a person, authorised to investigate the offence mentioned in the Schedule, before a Magistrate or court for taking cognizance of the scheduled offence, as the case may be. 2 of 1974.

* * * * *

Retention of property.

20. (1) Where any property has been seized under section 17 or section 18, and the officer authorised by the Director in this behalf has, on the basis of material in his possession, reason to believe (the reason for such belief to be recorded by him in writing) that such property is required to be retained for the purposes of adjudication under section 8, such property may be retained for a period not exceeding three months from the end of the month in which such property was seized.

(2) The officer authorised by the Director immediately after he has passed an order for retention of the property for purposes of adjudication under section 8 shall forward a copy of the order alongwith the material in this possession, referred to in sub-section (1), to the Adjudicating Authority, in a sealed envelope, in the manner as may be prescribed and such Adjudicating Authority shall keep such order and material for such period as may be prescribed.

(3) On the expiry of the period specified in sub-section (1), the property shall be returned to the person from whom such property was seized unless the Adjudicating Authority permits retention of such property beyond the said period.

(4) The Adjudicating Authority, before authorising the retention of such property beyond the period specified in sub-section (1), shall satisfy himself that the property is *prima facie* involved in money-laundering and the property is required for the purposes of adjudication under section 8.

(5) After passing the order of confiscation under sub-section (6) of section 8, the Adjudicating Authority shall direct the release of all properties other than the properties involved in money-laundering to the person from whom such properties were seized.

(6) Notwithstanding anything contained in sub-section (5), the Director or any officer authorised by him in this behalf may withhold the release of any property until filing of

appeal under section 26 or forty-five days from the date of order under sub-section (5), whichever is earlier, if he is of the opinion that such property is relevant for the proceedings before the Appellate Tribunal.

21. (1) Where any records have been seized, under section 17, or section 18, and the Investigating Officer or any other officer authorised by the Director in this behalf has reason to believe that any of such records are required to be retained for any inquiry under this Act, he may retain such records for a period not exceeding three months from the end of the month in which such records were seized.

Retention of records.

(2) The person, from whom records were seized, shall be entitled to obtain copies of records retained under sub-section (1).

(3) On the expiry of the period specified under sub-section (1), the records shall be returned to the person from whom such records were seized unless the Adjudicating Authority permits retention of such records beyond the said period.

(4) The Adjudicating Authority, before authorising the retention of such records beyond the period mentioned in sub-section (1), shall satisfy himself that the records are required for the purposes of adjudication under section 8.

(5) After passing of an order of confiscation under sub-section (6) of section 8, the Adjudicating Authority shall direct the release of the records to the person from whom such records were seized.

(6) Notwithstanding anything contained in sub-section (5), the Director or any officer authorised by him in this behalf may withhold the release of any records until filing of appeal under section 26 or after forty-five days from the date of order under sub-section (5), whichever is earlier, if he is of the opinion that such records are relevant for the proceedings before the Appellate Tribunal.

22. (1) Where any records or property are or is found in the possession or control of any person in the course of a survey or a search, it shall be presumed that—

Presumption as to records or property in certain cases.

(i) such records or property belong or belongs to such person;

(ii) the contents of such records are true; and

(iii) the signature and every other parts of such records which purport to be in the handwriting of any particular person or which may reasonably be assumed to have been signed by, or to be in the handwriting of, any particular person, are in that person's handwriting, and in the case of a record, stamped, executed or attested, that it was executed or attested by the person by whom it purports to have been so stamped, executed or attested.

* * * * *

23. Where money-laundering involves two or more inter-connected transactions and one or more such transactions is or are proved to be involved in money-laundering, then for the purposes of adjudication or confiscation under section 8, it shall, unless otherwise proved to the satisfaction of the Adjudicating Authority, be presumed that the remaining transactions form part of such inter-connected transactions.

Presumption in interconnected transactions.

24. When a person is accused of having committed the offence under section 3, the burden of proving that proceeds of crime are untainted property shall be on the accused.

Burden proof.

* * * * *

26. (1) * * * * *

Appeal to Appellate Tribunal.

(2) Any banking company, financial institution or intermediary aggrieved by any order of the Director made under sub-section (2) of section 13, may prefer an appeal to the Appellate Tribunal.

* * * * *

Qualifications for appointment.

28. (1) A person shall not be qualified for appointment as Chairperson unless he is or has been a Judge of the Supreme Court or of a High Court or is qualified to be a Judge of the High Court.

(2) A person shall not be qualified for appointment as a Member unless he—

* * * * *

(b) has been a member of the India Legal Service and has held a post in Grade I of that Service for at least three years; or

(c) has been a member of the Indian Revenue Service and has held the post of Commissioner of Income-tax equivalent post in that Service for at least three years;

(d) has been a member of the Indian Economic Service and has held the post of Joint Secretary or equivalent post in that Service for at least three years; or

(e) has been a member of the Indian Customs and Central Excise Service and has held the post of a Joint Secretary or equivalent post in that Service for at least three years; or

(f) has been in the practice of accountancy as a chartered accountant under the Chartered Accountants Act, 1949 or as a registered accountant under any law for the time being in force or partly as a registered accountant and partly as a chartered accountant for at least ten years:

38 of 1949.

Provided that one of the members of the Appellate Tribunal shall be from category mentioned in clause (f), or

(g) has been a member of the Indian Audit and Accounts Service and has held the post of Joint Secretary or equivalent post in that Service for at least three years.

(3) No sitting Judge of the Supreme Court or of a High Court shall be appointed under this section except after consultation with the Chief Justice of India.

* * * * *

Appeal to High Court.

42. any person aggrieved by any decision or order of the Appellate Tribunal may file an appeal to the High Court within sixty days from the date of communication of the decision or order of the Appellate Tribunal to him on any question of law or fact arising out of such order:

Provided that the High Court may, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period not exceeding sixty days.

Explanation.—For the purposes of this section, "High Court" means—

(i) the High Court within the jurisdiction of which the aggrieved party ordinarily resides or carries on business or personally works for gain; and

(ii) where the Central Government is the aggrieved party, the High Court within the jurisdiction of which the respondent, or in a case where there are more than one respondent, any of the respondents, ordinarily resides or carries on business or personally works for gain.

* * * * *

Offences triable by Special Courts.

44. (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973,—

2 of 1974.

(a) The scheduled offence and the offence punishable under section 4 shall be triable only by the Special Court constituted for the area in which the offence has been committed:

Provided that the Special Court, trying a scheduled offence before the commencement of this Act, shall continue to try such scheduled offence; or

(b) A Special Court may, upon a complaint made by an authority authorised in this behalf under this Act take cognizance of the offence for which the accused is committed to it for trial.

* * * *

5 of 1908. **50.** (1) The Director shall, for the purposes of section 13, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 while trying a suit in respect of the following matters, namely:—

Powers of authorities regarding summons, production of documents and to give evidence, etc.

(a) Discovery and inspection;

(b) enforcing the attendance of any person, including any officer of a banking company or a financial institution or a company, and examining him on oath;

* * * *

54. The following officers are hereby empowered and required to assist the authorities in the enforcement of this Act, namely:—

Certain officers to assist in inquiry, etc.

* * * *

42 of 1956. (d) officers of the stock exchange recognised under section 4 of the Securities Contracts (Regulation) Act, 1956;

* * * *

(j) such other officers of the Central Government, State Government, local authorities or banking companies as the Central Government may, by notification, specify, in this behalf.

* * * *

60. (1) Where the Director has made an order for attachment of any property under section 5 or where an Adjudicating Authority has made an order confirming such attachment or confiscation of any property under section 8, and such property is suspected to be in a contracting State, the Special Court, on an application by the Director or the Administrator appointed under sub-section (1) of section 10, as the case may be, may issue a letter of request to a court or an authority in the contracting State for execution of such order.

Attachment, seizure and confiscation, etc., of property in a contracting State or India.

(2) where a letter of request is received by the Central Government from a court or an authority in a contracting State requesting attachment or confiscation of the property in India, derived or obtained, directly or indirectly, by any person from the commission of an offence under section 3 committed in that contracting State, the Central Government may forward such letter of request to the Director, as it thinks fit, for execution in accordance with the provisions of this Act.

* * * *

43 of 1961. **69.** Where any fine imposed on any person under section 13 or section 63 is not paid within six months from the day of imposition of fine, the Director or any other officer authorised by him in this behalf may proceed to recover the amount from the said person in the same manner as prescribed in Schedule II of the Income-tax Act, 1961 for the recovery of arrears and he or any officer authorised by him in this behalf shall have all the powers of the Tax Recovery Officer mentioned in the said Schedule for the said purpose.

Recovery of fines.

* * * *

72. (1)* (2) Where—

Continuation of proceedings in the event of death or insolvency. Power to make rules.

(a) after passing of a decision or order by the Appellate Tribunal, no appeal has been preferred to the High Court under section 42; or

(b) any such appeal has been preferred to the High Court,—

then—

(i) in a case referred to in clause (a), the person entitled to file the appeal dies or is adjudicated an insolvent before preferring an appeal to the High Court, or

(ii) in a case referred to in clause (b), the person who had filed the appeal dies or is adjudicated an insolvent during the pendency of the appeal before the High Court, then, it shall be lawful for the legal representatives of such person, or the official assignee or the official receiver, as the case may be, to prefer an appeal to the High Court or to continue the appeal before the High Court in place of such person and the provisions of section 42 shall, so far as may be, apply, or continue to apply, to such appeal.

Power to make rules.

73.(1) * * * * *

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

* * * * *

(h) the nature and value of transactions in respect of which records shall be maintained under clause (a) of sub-section (1) of section 12;

(i) the time within which the information of transactions under clause (b) of sub-section (1) of section 12 shall be furnished;

(j) the manner in which records shall be verified and maintained by banking companies, financial institutions and intermediaries under clause (c) of sub-section (1) of section 12;

* * * * *

THE SCHEDULE

[See section 2(y)]

PART A

PARAGRAPH 1

OFFENCES UNDER THE INDIAN PENAL CODE

Section	Description of offence
121	Waging, or attempting to wage war or abetting waging of war, against the Government of India.
121A	Conspiracy to commit offences punishable by section 121 against the State.
"489A	Counterfeiting currency notes or bank notes.
489B	Using as genuine, forged or counterfeit currency notes or bank notes.";

PARAGRAPH 2

OFFENCES UNDER THE NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES ACT, 1985

Section	Description of offence
"15	Contravention in relation to poppy straw.
16	Contravention in relation to coca plant and coca leaves.
17	Contravention in relation to prepared opium.
18	Contravention in relation to opium poppy and opium.
19	Embezzlement of opium by cultivator.
20	Contravention in relation to cannabis plant and cannabis.
21	Contravention in relation to manufactured drugs and preparations.";

PARAGRAPH 3

OFFENCES UNDER THE EXPLOSIVE SUBSTANCES ACT, 1908

Section	Description of offence
3	Causing explosion likely to endanger life or property.
4	Attempt to cause explosion, or for making or keeping explosives with intent to endanger life or property.
5	Making or possessing explosives under suspicious circumstances.

PARAGRAPH 4

OFFENCES UNDER THE UNLAWFUL ACTIVITIES (PREVENTION) ACT, 1967

Section	Description of offence
10 read with section 3	Penalty for being member of an unlawful association, etc.
11 read with sections 3 and 7	Penalty for dealing with funds of an unlawful association.
13 read with section 3	Punishment for unlawful activities.
16 read with section 15	Punishment for terrorist act.
16A	Punishment for making demands of radioactive substances, nuclear devices, etc.
17	Punishment for raising fund for terrorist act.
18	Punishment for conspiracy, etc.
18A	Punishment for organising of terrorist camps.
18B	Punishment for recruiting of any person or persons for terrorist act.
19	Punishment for harbouring, etc.
20	Punishment for being member of terrorist gang or organisation.
21	Punishment for holding proceeds of terrorism.
38	Offence relating to membership of a terrorist organisation.
39	Offence relating to support given to a terrorist organisation.
40	Offence of raising fund for a terrorist organisation.;

PART B

PARAGRAPH 1

OFFENCES UNDER THE INDIAN PENAL CODE

Section	Description of offence
120B	Criminal conspiracy.
255	Counterfeiting Government stamp.

Section	Description of offence
257	Making or selling instrument for counterfeiting Government stamp.
258	Sale of counterfeit Government stamp.
259	Having possession of counterfeit Government stamp.
260	Using as genuine a Government stamp known to be counterfeit.
302	Murder.
304	Punishment for culpable homicide not amounting to murder.
307	Attempt to murder.
308	Attempt to commit culpable homicide.
327	Voluntarily causing hurt to extort property, or to constrain to an illegal act.
392	Voluntarily causing grievous hurt to extort property, or to constrain to an illegal act.
364A	Kidnapping for ransom, etc.
384 to 389	Offences relating to extortion.
392 to 402	Offences relating to robbery and dacoity.
411	Dishonestly receiving stolen property.
412	Dishonestly receiving property stolen in the commission of a dacoity.
413	Habitually dealing in stolen property.
414	Assisting in concealment of stolen property.
417	Punishment for cheating.
418	Cheating with knowledge that wrongful loss may ensue to person whose interest offender is bound to protect.
419	Punishment for cheating by personation.
420	Cheating and dishonestly inducing delivery of properties.
421	Dishonest or fraudulent removal or concealment of property to prevent distribution among creditors.
422	Dishonestly or fraudulently preventing debt being available for creditors.
423	Dishonest or fraudulent execution of deed of transfer containing false statement of consideration.
424	Dishonest or fraudulent removal or concealment of property.
467	Forgery of valuable security, will, etc.
471	Using as genuine a forged document or electronic record.
472 and 473	Making or possessing counterfeit seal, etc., with intent to commit forgery.
475 and 476	Counterfeiting device or mark.

Section	Description of offence
481	Using a false property mark.
482	Punishment for using a false property mark.
483	Counterfeiting a property mark used by another.
484	Counterfeiting a mark used by a public servant.
485	Making or possession of any instrument for counterfeiting a property mark.
486	Selling goods marked with a counterfeit property mark.
487	Making a false mark upon any receptacle containing goods.
488	Punishment for making use of any such false mark." ;

PARAGRAPH 2

OFFENCES UNDER THE ARMS ACT, 1959

Section	Description of offence
25	<p>To manufacture, sell, transfer, convert, repair or test or prove or expose or offer for sale or transfer or have in his possession for sale, transfer, conversion, repair, test or proof, any arms or ammunition in contravention of section 5 of the Arms Act, 1959. To acquire, have in possession or carry any prohibited arms or prohibited ammunition in contravention of section 7 of the Arms Act, 1959.</p> <p>Contravention of section 24A of the Arms Act, 1959 relating to prohibition as to possession of notified arms in disturbed areas, etc.</p> <p>Contravention of section 24B of the Arms Act, 1959 relating to prohibition as to carrying of notified arms in or through public places in disturbed areas.</p> <p>Other offences specified in section 25.</p>
26	<p>To do any act in contravention of any provisions of section 3, 4, 10 or 12 of the Arms Act, 1959 in such manner as specified in sub-section (1) of section 26 of the said Act.</p> <p>To do any act in contravention of any provisions of section 5, 6, 7 or 11 of the Arms Act, 1959 in such manner as specified in sub-section (2) of section 26 of the said Act.</p> <p>Other offences specified in section 26.</p>
27	Use of arms or ammunitions in contravention of section 5 or use of any arms of ammunition in contravention of section 7 of the Arms Act, 1959.
28	Use and possession of fire arms or imitation fire arms in certain cases.
29	Knowingly purchasing arms from unlicensed person or for delivering arms, etc., to person not entitled to possess the same.
30	Contravention of any condition of a licence or any provisions of the Arms Act, 1959 or any rule made thereunder.

PARAGRAPH 3

OFFENCES UNDER THE WILD LIFE (PROTECTION) ACT, 1972

Section	Description of offence
¹ [51 read with section 9	Hunting of wild animals.]
51 read with section 17A	Contravention of provisions of section 17A relating to prohibition of picking, uprooting etc., of specified plants.
51 read with section 39	Contravention of provisions of section 39 relating to wild animals, etc., to be Government property.
51 read with section 44	Contravention of provisions of section 44 relating to dealings in trophy and animal articles without licence prohibited.
51 read with section 48	Contravention of provisions of section 48 relating to purchase of animal etc., by licence.
51 read with section 49B	Contravention of provisions of section 49B relating to prohibition of dealings in trophies animal articles, etc., derived from scheduled animals.

PARAGRAPH 4

OFFENCES UNDER THE IMMORAL TRAFFIC (PREVENTION) ACT, 1956

Section	Description of offence
5	Procuring, inducing or taking person for the sake of prostitution.
6	Detaining a person in premises where prostitution is carried on.
8	Seducing or soliciting for purpose of prostitution.
9	Seduction of a person in custody.

PARAGRAPH 5

OFFENCES UNDER THE PREVENTION OF CORRUPTION ACT, 1988

Section	Description of offence
7	Public servant taking gratification other than legal remuneration in respect of an official act.
8	Taking gratification in order, by corrupt or illegal means, to influence public servant.
9	Taking gratification for exercise of personal influence, with public servant.
10	Abetment by public servant of offences defined in section 8 or section 9 of the Prevention of Corruption Act, 1988.
² [13	Criminal misconduct by a public servant.]

"PARAGRAPH 6

OFFENCES UNDER THE EXPLOSIVES ACT, 1884

Section	Description of offence
9-B	Punishment for certain offences.
9-C	Offences by companies.

"PARAGRAPH 7

OFFENCES UNDER THE ANTIQUITIES AND ARTS TREASURES ACT, 1972

Section	Description of offence
25 read with section 3	Contravention of export trade in antiquities and art treasures.
28	Offences by companies

"PARAGRAPH 8

OFFENCES UNDER THE SECURITIES AND EXCHANGES BOARD OF INDIA ACT, 1992

Section	Description of offence
12A read with section 24	Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.

"PARAGRAPH 9

OFFENCES UNDER THE CUSTOMS ACT, 1962

Section	Description of offence
135	Evasion of duty or prohibitions.

"PARAGRAPH 10

OFFENCES UNDER THE BONDED LABOUR SYSTEM (ABOLITION) ACT, 1976

Section	Description of offence
16	Punishment for enforcement of bonded labour.
18	Punishment for extracting bonding labour under the bonded labour system.
20	Abetment to be an offence.

"PARAGRAPH 11

OFFENCES UNDER THE CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986

Section	Description of offence
14	Punishment for employment of any child to work in contravention of the provisions of section 3.

"PARAGRAPH 12

OFFENCES UNDER THE TRANSPLANTATION OF HUMAN ORGANS ACT, 1994

Section	Description of offence
18	Punishment for removal of human organ without authority.
19	Punishment for commercial dealings in human organs.
20	Punishment for contravention of any other provision of this Act.

¹[PARAGRAPH 13

OFFENCES UNDER THE JUVENILE JUSTICE (CARE AND PROTECTION OF CHILDREN) ACT, 2000

Section	Description of offence
23	Punishment for cruelty to juvenile or child.
24	Employment of juvenile or child for begging.
25	Penalty for giving intoxicating liquor or narcotic drug or psychotropic substance to juvenile or child.
26	Exploitation of juvenile or child employee.]

¹[PARAGRAPH 14

OFFENCES UNDER THE EMIGRATION ACT, 1983

Section	Description of offence
24	Offences and penalties.]

¹[PARAGRAPH 15

OFFENCES UNDER THE PASSPORTS ACT, 1967

Section	Description of offence
12	Offences and penalties.]

¹[PARAGRAPH 16

OFFENCES UNDER THE FOREIGNERS ACT, 1946

Section	Description of offence
14	Penalty for contravention of provisions of the Act, etc.
14B	Penalty for using forged passport.
14C	Penalty for abetment.]

¹[PARAGRAPH 17

OFFENCES UNDER THE COPYRIGHT ACT, 1957

Section	Description of offence
63	Offence of infringement of copyright or other rights conferred by this Act.
63A	Enhanced penalty on second and subsequent convictions.
63B	Knowing use of infringing copy of computer programme.
68A	Penalty for contravention of section 52A.]

¹[PARAGRAPH 18

OFFENCES UNDER THE TRADE MARKS ACT, 1999

Section	Description of offence
103	Penalty for applying false trade marks, trade descriptions, etc.
104	Penalty for selling goods or providing services to which false trade-mark or false trade description is applied.
105	Enhanced penalty on second or subsequent conviction.
107	Penalty for falsely representing a trade mark as registered.
120	Punishment of abetment in India of acts done out of India.]

"PARAGRAPH 19

OFFENCES UNDER THE INFORMATION TECHNOLOGY ACT, 2000

Section	Description of offence
72	Penalty for breach of confidentiality and privacy.
75	Act to apply for offence or contravention committed outside India.

"PARAGRAPH 20

OFFENCES UNDER THE BIOLOGICAL DIVERSITY ACT, 2002

Section	Description of offence
55 read with section 6	Penalties for cotravention of section 6, etc.

"PARAGRAPH 21

OFFENCES UNDER THE PROTECTION OF PLANT VARIETIES AND FARMERS' RIGHTS ACT, 2001

Section	Description of offence
70 read with section 68	Penalty for applying false denomination, etc.
71 read with section 68	Penalty for selling varieties to which false denomination is applied.
72 read with section 68	Penalty for falsely representing a variety as registered.
73 read with section 68	Penalty for subsequent offence.

"PARAGRAPH 22

OFFENCES UNDER THE ENVIRONMENT PROTECTION ACT, 1986

Section	Description of offence
15 read with section 7	Penalty for discharging environmental pollutants.
15 read with section 6	Penalty for handling hazardous substance.

"PARAGRAPH 23

OFFENCES UNDER THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974

Section	Description of offence
41(2)	Penalty for pollution of stream or well.
43	Penalty for contravention of provisions of section 24.

PARAGRAPH 24

OFFENCES UNDER THE AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981

Section	Description of offence
37	Failure to comply with the provisions for operating industrial plant

PARAGRAPH 25

OFFENCES UNDER THE SUPPRESSION OF UNLAWFUL ACTS AGAINST SAFETY OF MARITIME NAVIGATION AND FIXED PLATFORMS ON CONTINENTAL SHELF ACT, 2002

Section	Description of offence
3	Offences against ship, fixed platform, cargo of a ship, maritime navigational facilities, etc.";

"PART C"

An offence which is the offence of cross border implications and is specified in:—

- (1) Part A; or
- (2) Part B without any monetary threshold; or
- (3) the offences against property under Chapter XVII of the Indian Penal Code."

LOK SABHA

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BILL

further to amend the Prevention of Money-laundering Act, 2002.

(Shri Pranab Mukherjee, Minister of Finance)